

PURCHASE AND SALE AGREEMENT FOR

SOUTH STATION

Agreement made this            day of            , 1978, by and between the MASSACHUSETTS BAY TRANSPORTATION AUTHORITY, (hereinafter called "MBTA"), and the BOSTON REDEVELOPMENT AUTHORITY (hereinafter called "BRA"), which are bodies politic and corporate and political subdivisions of the Commonwealth of Massachusetts.

A. TERMS OF CONVEYANCE

1. This Agreement is subject to the MBTA's receiving a Federal grant or grants to finance the project herein described; adoption of appropriate state enabling legislation; execution of an agreement with the Federal Railway Administration ("FRA") consistent with this undertaking; and satisfaction of any other local, state or Federal requirements.
2. The BRA agrees to sell and convey, and the MBTA agrees to purchase, The Property as described in Exhibit A for a purchase price to be determined, but not to exceed \$4,400,000, subject to any required governmental approval. At the option of the MBTA, it may notify BRA at least 10 days prior to conveyance that it elects to accept the property subject to an existing mortgage on the property now held by Boston Terminal Corporation ("BTC"), in which event the amount due shall be reduced by the principal amount thereof, plus any other unpaid amounts due the mortgagee.

3. The MBTA agrees to construct the following on The Property:
- (a) a commuter and inter-city rail facility;
  - (b) a new concourse providing ticketing facilities and access for passengers between the headhouse, the rail platform and any future bus terminal providing all necessary support functions to accommodate future inter-city and commuter bus programs;
  - (c) a parking deck for approximately 550 vehicles including a high-capacity ramp system;
  - (d) the footings and structural systems necessary to support at least three additional parking levels for a total garage capacity of approximately 2,000 spaces;
  - (e) improvements in the structure and systems of the headhouse to permit operational use of the ground floor and office space on the upper floors of a standard comparable to other major rehabilitation in the area.
4. The sale and conveyance of The Property and the purchase of the same by the MBTA shall take place on the later to occur of, August 30, 1978, or within 10 days of the closeout of the South Station Urban Renewal Project, but not later than November 1, 1978, at a closing to be held at the Suffolk County Registry of Deeds or at such other place and time as shall be mutually acceptable.
5. The sale and conveyance shall be by deed of good and marketable fee simple title to The Property, free and clear of all liens, encumbrances, taxes and other charges, except for the following:



- (a) The terms of a HUD-approved South Station Urban Renewal Plan, acceptable to the MBTA.
- (b) Existing rights to operate inter-city rail passenger services, not inconsistent with MBTA rights to operate a mass transit system (including commuter rail).
- (c) Existing easements, leases, and restrictions of record, a listing of which is attached hereto as Exhibit B.
- (d) A reservation of air rights above the first parking and/or bus level, of approximately, 250,000 square feet, in the area between Essex and Kneeland Streets extended, including foundations and access thereto, all to be described in the Conceptual Design Report, hereinafter defined.

B. OBLIGATIONS OF PARTIES PRIOR TO CONVEYANCE

- 6. The BRA shall turn over to MBTA within 2 weeks after execution of this agreement all title information regarding the Property which it has in its possession to assist the MBTA in its review of the state of the title.
- 7. At least 30 days prior to the conveyance date specified in Paragraph 3, the MBTA shall submit to the BRA for its approval, which approval may be withheld for good cause shown, the following:
  - a) A Conceptual Design Report prepared by Skidmore Owings & Merrill for The Property, which shall include plans for all transportation facilities, vehicular and pedestrian access and circulation, and easements and foundation supports for air rights development; and outline specifications.

- b) A Cost Sharing Statement, detailing how the various improvements are to be financed, showing the inter-relationship among EOTC, FRA, MBTA, and UMTA, and including a good faith commitment by MBTA to use its best efforts to obtain financing for all of the proposed improvements on The Property.
- c) A Development Program for the non rail-related components of the development, including especially the bus concourse and headhouse upper floors; a proposal for in-lieu tax payments by commercial tenants; and a good faith commitment by the MBTA to use its best efforts to carry out the foregoing Development Program. To the extent that financing from the sources above-named in B6(b) is not available for this Development Program, the MBTA will submit a plan for financing from other sources including MBTA bonding authority.
- d) A Development Schedule, including proposed dates for commencement and completion of basic components of the transportation center.

In the event the MBTA fails to submit any of said documents or if the BRA withholds its approval for good cause shown, the obligation to sell and purchase shall terminate unless the MBTA submits and the BRA approves the required documents within a reasonable period of time, but in no event to exceed 60 days after the date set forth in Paragraph 4 hereof.



C. OBLIGATIONS OF PARTIES SUBSEQUENT TO CONVEYANCE

8. All work done on the construction of the improvements to be erected on The Property shall be consistent in all important respects with the approved Conceptual Design Report. MBTA shall submit to BRA, for review as to such consistency, prior to construction, final plans and specifications for the improvements and the BRA shall approve same within 30 days, unless it finds such non-consistency, in which event the parties shall agree on changes to be made to assure that the final plans and specifications are consistent with the Conceptual Design Report.
9. The MBTA agrees to begin construction of the improvements on The Property in accordance with the proposed development schedule, unless no acceptable bid is received by MBTA within existing appropriations, or unless delayed for reasons beyond the MBTA's control, in which event the time for commencement of construction shall be extended as appropriate. In the event that construction does not commence within such time as reasonably extended, BRA shall have the right to repurchase The Property upon repayment of the purchase price to the MBTA, in which event all obligations of either party to the other hereunder shall cease. The parties hereto agree that the construction of the foundation for the support of a parking garage and bus concourse level shall have priority and that

the MBTA shall cause this construction to commence within  
two years of conveyance or the MBTA shall voluntarily  
convey the entire Property back to the BRA.

IN WITNESS WHEREOF, at Boston, Massachusetts, the parties hereto have  
caused this Agreement in six counterparts to be signed, sealed, and delivered  
by their duly authorized officers, respectively.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY  
By

\_\_\_\_\_  
Chairman

Approved as to form:

BOSTON REDEVELOPMENT AUTHORITY  
By

\_\_\_\_\_  
J. H. Elcock  
General Counsel

\_\_\_\_\_  
Director

Approved as to form:

\_\_\_\_\_  
Charles J. Speleotis  
Chief General Counsel

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, SS.

, 1978

Then personally appeared before me  
the \_\_\_\_\_ of BOSTON REDEVELOPMENT AUTHORITY, and acknowledged  
the foregoing instrument to be the free act and deed of the Boston Redevelopment  
Authority.

\_\_\_\_\_  
Notary Public  
My commission expires:

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, SS.

, 1978

Then personally appeared before me  
the \_\_\_\_\_ of MASSACHUSETTS BAY TRANSPORTATION AUTHORITY, and  
acknowledged the foregoing instrument to be the free act and deed of the  
Massachusetts Bay Transportation Authority.

\_\_\_\_\_  
Notary Public  
My commission expires:



## MEMORANDUM

JULY 6, 1978

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT F. WALSH, DIRECTOR

SUBJECT: PURCHASE & SALE AGREEMENT  
MASSACHUSETTS BAY TRANSPORTATION AUTHORITY  
DISPOSITION PARCELS C-1, C-3, C-4  
SOUTH STATION URBAN RENEWAL PROJECT

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On October 6, 1977, the Authority tentatively designated the Massachusetts Bay Transportation Authority (MBTA) as the developer of the South Station terminal. Under the terms of this designation, the MBTA was to purchase the project site and to construct the footings and structural systems necessary to support development over the tracks. The costs of purchase and construction were estimated at that time at \$6.1 million.

The designation anticipated that a subsequent letter of intent would spell out certain items specified in the designation. The terms of a Purchase and Sale Agreement covering these items has now been developed by the MBTA and Authority staff. A copy is attached.

The Purchase and Sale Agreement calls for the MBTA to purchase the property at an amount estimated to be \$4.4 million. This amount would be sufficient to retire urban renewal loans and an outstanding mortgage associated with the property.

The MBTA agrees to construct an Intermodal Transportation Center on the property. In conformance with the October 6, 1977 tentative designation, this facility will include a commuter and intercity rail facility, a new concourse, a parking facility for 550 cars located over the tracks, footings and foundations necessary to support three additional parking decks, and headhouse improvements. The costs of these footings and foundations is estimated to be at least \$2 million, bringing the total compensation for the conveyance to at least \$6.4 million.

In addition to these items, the MBTA will develop a program for an intercity bus facility, also to be constructed on the air rights over the tracks. A Congressional Conference Committee has recently voted the appropriation of funds to build such a facility in Boston. This action will form the basis of the MBTA's development program.

Finally, the BRA will retain air rights above the tracks for future development, as this development proves feasible.



The BRA has the right under the Purchase and Sale Agreement to review and approve the Design Report for the terminal project. Following approval and conveyance of the property, the BRA retains the right to review plans and contracts for their consistency with the approved design.

It is anticipated that BRA review of the Design Report, as well as a development plan for the headhouse and bus station, can be completed by August 30. On this basis, conveyance could take place as early as August 30.

Since execution of the proposed Purchase and Sale Agreement will solidify the respective roles of the BRA and the MBTA, as well as strengthen the MBTA's position in its negotiations with the Federal Rail Administration for funding of the project, it is recommended that the Authority enter into this Agreement. An appropriate vote follows:

VOTED: That the Director be and is hereby authorized to execute a Purchase and Sale Agreement with the Massachusetts Bay Transportation Authority, generally in the form of that attached. Under this Agreement, the Authority will convey the South Station terminal properties, and the MBTA will construct a facility meeting the Authority's objectives for the site.

Attachment